GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1915
ANSWERED ON:03.08.2001
DECENTRALISATION OF FOODGRAINS PROCUREMENT
ADHIR RANJAN CHOWDHURY;NEDURUMALLI JANARDHANA REDDY

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government have been actively considering implementing the decentralised scheme of food procurement and distribution activities in all States of the country;

(b) if so, whether the Government has constituted a working group to make consensus among States for this purpose; and

(c) to what extent the farmers and consumers in food deficit States are likely to be benefited under decentralized scheme of food procurement and distribution?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a)&(b): Yes, Sir. In the meeting of the Standing Committee of Union Ministers & Chief Ministers on Food Management and Agriculture Exports held on 6.7.2001, it was clarified that the scheme of decentralized procurement of foodgrains will not be imposed on any State. Further, consultations will be held with the State Governments and sharing of gains under the scheme will be considered with those States which agree to adopt the scheme.

(c): The Scheme has the following advantages:-

(i) The local farmers would get Minimum Support Price

(ii) Locally grown varieties, which are, preferred by local consumers, will be available through the Public Distribution network.

(iii) Since the consuming States themselves will be procuring foodgrains, there would be no complaint about quality.

(iv) Dependence of the State Governments on the FCI for PDS supplies would be reduced.

(v) Higher local procurement would reduce pressure on freight movement by rail.

(vi) The economic cost of the foodgrains to be procured by the states under the decentralized scheme would normally be less than the economic cost of the FCI.